

**U.S. Department of the Interior
Bureau of Land Management**

**DECISION RECORD
Environmental Assessment
DOI-BLM-UT-Y020-2016-0001-EA**

**Plan of Operations Modification UTU-74631
Daneros Mine**

Location: The Daneros Mine is located in portions of:
T. 37 S., R. 16 E., Sections 5, 6, 7, 8, 17 and 18
Salt Lake Meridian, Utah

Applicant: Energy Fuels Resources (USA) Inc.
225 Union Blvd. Suite 600
Lakewood, Colorado 80228

Field Office: Monticello Field Office
365 N. Main Street
Monticello, Utah 84535

February 2018



DECISION RECORD

Environmental Assessment DOI-BLM-UT-Y020-2016-0001-EA Daneros Mine Plan of Operations Modification UTU-74631

It is my decision to authorize the Energy Fuels Resources (USA) Inc. (Energy Fuels) proposed Daneros Mine Plan of Operations Modification (MPOM or Project), including all project design features, as analyzed under Alternative A in Environmental Assessment (EA) (DOI-BLM-UT-Y020-2016-001-EA). The Bureau of Land Management (BLM), Monticello Field Office (MFO), completed the EA to assess the potential impacts of the MPOM.

The Daneros Mine is a small underground uranium mine situated in Bullseye Canyon in San Juan County, Utah. The Plan of Operations for the Daneros Mine was approved by the BLM in 2009. The Mine operated from 2009 to 2012. Mining operations were suspended in 2012 due to a down turn in the price of uranium. The Mine is currently on “care and maintenance” status consistent with the approved Interim Management Plan. The Mine facilities consist of twin decline portals for ore haulage and ventilation, a shop and office building, two ventilation shafts, a water well, a development rock area (DRA), and topsoil and inert material stockpiles. The existing surface facilities total 4.5 acres and are located exclusively on federal lands administered by the BLM. These lands are subject to location under the mining laws of the United States. Authorized mining operations are governed by Federal regulations at 43 C.F.R. Subpart 3809 for the purpose of preventing unnecessary or undue degradation of public lands.

In December 2013, pursuant to 43 C.F.R. § 3809.431, Energy Fuels submitted its MPOM to the MFO. The MPOM detailed the company’s proposed plans for expanding operations at the Daneros Mine. Energy Fuels subsequently revised the MPOM to incorporate several additional project design features, which were identified through the iterative processes of project scoping, assessment of potential environmental effects, and public comment. The complete MPOM constitutes Alternative A (Proposed Action) in the EA.

My decision to approve the MPOM authorizes Energy Fuels to expand the existing DRA at the Daneros Portal Area, construct new facilities at the Bullseye and South Portal Areas and install up to eight new ventilation holes. The construction of these new facilities will increase surface disturbance from 4.5 acres to 46 acres. Total production of uranium ore is projected to increase from 100,000 tons over seven years to 500,000 tons over 20 years, and the ore will continue to be transported by highway to the White Mesa Mill near Blanding, Utah.

Authorities:

The authority for this decision is the Federal Land Policy and Management Act (FLPMA) of 1976, as amended.

Compliance and Monitoring:

The BLM will routinely inspect operations to verify compliance with the approved MPOM and the Federal regulations at 43 C.F.R. Subpart 3809 and 43 C.F.R. Subpart 3715.

The specific compliance and monitoring programs that Energy Fuels must implement pursuant to the approval of the MPOM are listed in Attachment A of this decision. These include monitoring programs that Energy Fuels committed to under its MPOM in order to comply with the applicable environmental, statutory, and regulatory programs developed through numerous Federal, state, and local permitting processes.

Plan of Operations Modification Requirements:

Project design features are incorporated into the MPOM (Alternative A - Proposed Action) to avoid or minimize environmental impacts and to comply with the applicable requirements of federal, state, and local authorities. The operator-committed environmental protection measures are integral to the MPOM and are analyzed in the EA. The MPOM also incorporates the requirements of all applicable federal, state, and local laws, regulations, and permits as specified in Section 1.6 of the EA, and all applicable management actions prescribed in the 2008 MFO Record of Decision and Resource Management Plan (MFO RMP), including best management practices, standard operating procedures, and stipulations. The requirements for implementing the MPOM, including operator-committed measures, are attached to this decision (Attachment A).

PLAN CONFORMANCE:

The Proposed Action is in conformance with the management objectives and decisions of the MFO RMP. The RMP provides for a variety of mineral exploration and development activities within the planning area. BLM's goals and objectives for management of mineral resources, as stated in the RMP, are to "*provide opportunities for environmentally responsible exploration and development of mineral and energy resources subject to appropriate BLM policies, laws, and regulations*" (RMP, pg.79). The Proposed Action is also consistent with Minerals Decision 18 (MIN-18) of the RMP: "*The BLM will evaluate all operations authorized by the mining laws in the context of its requirement to prevent unnecessary and undue degradation of Federal lands and resources. Consistent with the rights afforded claimants under the mining laws, operations will conform to the management prescriptions in the plan*" (RMP, pgs. 82-83).

The MFO RMP identifies lands available for mineral entry and makes recommendations for withdrawals. All public domain lands within the planning area are available for operations conducted under the mining laws unless specifically withdrawn from mineral entry (RMP Management Decisions Min-4, Min-16, and Min-17; pgs. 79, 82). The area covered by the MPOM is not withdrawn from mineral entry and remains open to mining claim location and operations under the General Mining Law of 1872, as amended.

ALTERNATIVES CONSIDERED:

The BLM analyzed two alternatives in the EA: Alternative A – Proposed Action, and; Alternative B - No Action. Alternatives A and B are summarized below and discussed in detail in Sections 2.2 and 2.3 of the EA. The BLM considered three additional alternatives but determined not to analyze them in detail for the reasons set forth in Section 2.4 of the EA.

Alternative A – Proposed Action

Under Alternative A, the MPOM would be approved, including construction of the following new facilities at the Daneros Mine:

- Daneros Portal Area - Expand the existing development rock area (DRA).
- Bullseye Portal Area – Rehabilitate the portal and add two DRAs, an ore storage area, and topsoil and inert material stockpile areas.
- South Portal Area – Construct twin decline portals, a DRA, ore and topsoil stockpile areas, an inert material storage area, a shop and office, a water well and stormwater retention ponds.
- Ventilation Holes – Construct up to eight new ventilation holes and associated access roads.
- Drainage Control – Install drainage control structures and devices at each of the three portal areas.

The details of Alternative A are set forth in Section 2.2 of the EA. Under Alternative A, Energy Fuels would construct new mine facilities in a phased manner and do concurrent reclamation as mining progresses and certain facilities are no longer needed. Mine operations would resume at the Daneros Portal Area while construction starts at the Bullseye Portal Area. As mining continues at the Daneros/Bullseye Portal Areas, the South Portal Area would be developed. Disturbance at the Daneros and Bullseye Portal areas, including DRAs, would be reclaimed as mining continues at the South Portal Area. The South Portal Area and all remaining facilities, including ventilation holes, would be reclaimed when mining is complete. The proposed mine phases, including the construction and concurrent reclamation associated with each phase, are summarized in Table 7 of the EA. The phased construction and concurrent reclamation approach would allow for incremental reclamation bonding over the 20-year mine life.

The construction of new facilities at the Daneros Mine would increase surface disturbance from 4.5 acres to 46 acres. The total production of uranium ore is projected to increase from 100,000 tons over seven years to 500,000 tons over 20 years, and Energy Fuels would continue to transport the ore by highway to the White Mesa Mill for processing.

Alternative B – No Action

Alternative B is the No Action Alternative, under which the MPOM would not be approved and the Daneros Mine would not be expanded. Under Alternative B, mining operations would continue under the existing Plan of Operations until available space for development rock disposal is depleted. The Mine would then be reclaimed in accordance with the approved reclamation plan. Alternative B would effectively result in Energy Fuels' inability to further develop and extract a valuable deposit of uranium from its mining claims once the DRA reaches

capacity under the approved Plan of Operations and the available space for development rock disposal in underground workings is exhausted.

RATIONALE FOR DECISION:

Alternative A allows Energy Fuels to exercise its right under the General Mining Law of 1872, as amended, to extract a valuable mineral deposit in a manner that will prevent unnecessary or undue degradation of the public lands in accordance with 43 C.F.R. § 3809.5.

The BLM has determined that the Daneros MPOM will not cause unnecessary or undue degradation of public lands for the following reasons:

- Adherence to the approved MPOM would meet the performance standards at 43 C.F.R. § 3809.420.
- Operations are reasonably incident to prospecting, mining, or processing operations as defined at 43 C.F.R. § 3715.0-5.

Furthermore, the MPOM includes appropriate protection measures designed to avoid or minimize environmental impacts. Based on the environmental analysis documented in the EA, I have determined that the environmental effects of the implementation of the MPOM and subsequent operations under the MPOM will be minor.

On December 4, 2017, after the EA was completed, the Bears Ears National Monument (BENM) was modified by presidential proclamation, which reduced the total size of the BENM and created two monument management units (Indian Creek and Shash Jáa) (Please see Attachment B of this DR). While the Daneros Mine and the White Mesa Mill were always located outside of the boundaries of the BENM, the distance from these facilities to the BENM has increased because of the changes in the Monument boundary. Specifically, the distance from the Mine to the Indian Creek unit is 34 miles and the distance to the Shas Jáa unit is 18 miles, and the distance from the Mill to the Indian Creek unit is now 29 miles and the distance to the Shas Jáa unit is now 7 miles. In addition, the unpaved San Juan County Road B258 that is used for ore haulage is no longer within the BENM, and the length of State Highway 95 within the BENM that is used to transport ore to the Mill has decreased from 44 miles to 17.6 miles, all of which is within the Shash Jáa unit. As a result of the reduction in the size of the BENM, the minimal environmental effects to it from the MPOM will be less than those previously analyzed and disclosed in the EA.

Public Involvement

Public scoping was initiated in February 2014. Legal notices and press releases were published in two local newspapers - the San Juan Record and the Times Independent. The MPOM was made available for public review through the BLM Electronic Environmental Notification Bulletin Board (ENBB) and the MFO website. The BLM invited the public to provide comments on the MPOM from February 5, 2014 through March 14, 2014. The BLM sent letters to 12 Native American tribal entities on February 4, 2014. Letters were also sent to interested parties. On February 10, 2014, a letter was sent to several State of Utah agencies requesting their input on the project.

During the scoping period, the BLM received 9 comment letters: one from Environmental Protection Agency (EPA) Region 8, one from the National Park Service (NPS), two from cultural groups – The Hopi Tribe and The Navajo Nation, two from environmental advocacy groups, and three letters from individuals. Additionally, the BLM received 2,045 identical form letters generated from the Southern Utah Wilderness Alliance website. Scoping comment letters were carefully reviewed by the BLM and responses are found in Appendix D of the EA.

Issues and alternatives were identified based on public involvement and scoping information, and on internal scoping completed by BLM resource specialists. As a result of internal and external scoping, three issues/resources were identified for detailed analysis in the EA (Section 1.7). The issues analyzed in detail involve the potential effects of approving the MPOM on Air Quality, Water Quality, and Human Health and Safety. Documentation regarding potential effects to other resources is found in Appendix C of the EA.

On July 5, 2016, the BLM posted a press release on its ePlanning website and the MFO website announcing the availability of the EA. In addition, press releases were published in local and regional newspapers and letters were sent to interested parties. The BLM invited the public to provide comments on the EA from June 15, 2016 through July 18, 2016.

During the comment period, the BLM received 21 comment letters: one from EPA Region 8, one from the National Park Service (NPS), one from the Governor of Utah, one from San Juan County Planning Department, two from cultural groups – the Ute Mountain Ute Tribe and the Navajo Nation, three from environmental advocacy groups, one from business and industry interests, and 11 letters from individuals. Additionally, the BLM received more than 500 form letters generated from the Grand Canyon Trust website. The BLM also received four requests for a 30-day extension of the comment period, and it granted a two-week extension, to August 1, 2016, for the submission of public comments on the EA. The BLM also received a supplemental letter from the Grand Canyon Trust dated January 10, 2017. The BLM carefully reviewed all substantive public comments and responses to those comments are provided in Appendix H of the EA.

Several changes were made to the EA as a result of the public comments. The changes include minor editorial corrections, clarification of the purpose and need, additional detail about MPOM project design features, and additional analysis and documentation of potential environmental effects. None of the changes made to the EA resulted in the need for additional action alternatives or identification of new resources/issues requiring additional detailed analysis. The substantive public comments and BLM's responses are provided in Appendix H of the EA, including a listing of sections of the EA that were revised as a result of the public comments. Changes made to the EA in response to the public comments include:

- Sections 4.2.2.1 and 4.4.2.4 of the EA were revised to include additional analysis of potential direct and cumulative impacts to water quality under a large storm event scenario (exceeding the 100-year/24-hour design storm event).

- Section 4.2.3.3 and Appendix E of the EA were revised to address a stricter radiological cleanup standard for the Daneros Mine. The design radiation dose for reclamation of the DRAs was lowered from 100 mrem/yr to 15 mrem above background.
- Section 4.2.1.7 was added to the EA to address potential impacts to air quality at Bears Ears National Monument (BENM).
- Section 4.4 was revised to include a discussion of the BENM in the analysis of cumulative impacts.
- Appendix B of the EA was revised to include maps showing the BENM. The modified BENM boundary is reflected in Attachment B of this Decision Record.
- Section 5.2 was revised to include additional consultations with the Navajo and Ute Mountain Ute Tribes.

The MPOM includes design features aimed at preventing unnecessary or undue degradation of public lands and avoiding or minimizing environmental impacts. These operator-committed environmental protection measures are integral to Alternative A as analyzed in the EA. Through the iterative processes of project scoping, analysis, and public comment, additional measures or design features were identified by the BLM and incorporated by Energy Fuels into the MPOM. The complete MPOM constitutes Alternative A. Table 9 of the EA summarizes substantive changes that were made to the MPOM in response to public input and BLM analysis.

Consultation

The BLM consulted with the State Historic Preservation Office (SHPO) pursuant to Section 106 of the National Historic Preservation Act (NHPA). The SHPO concurred with the BLM's determination of "no adverse effect on historic properties" that it reached following the completion of its NHPA review of the MPOM.

Consultation with the U.S. Fish and Wildlife Service under Section 7 of the Endangered Species Act was not required because there are no known threatened or endangered species and associated habitat within or near the proposed Project Area and because if listed species were present, they would not be affected by the MPOM.

In accordance with the NHPA, the BLM consulted with 12 Native American tribal entities in order to identify any concerns related to traditional cultural properties (TCPs) or sacred sites. Section 5.2 of the EA describes this consultation process. The BLM received responses from three tribes—the Ute Mountain Ute Tribe, the Hopi Tribe and the Navajo Tribe, and consultation meetings were held with representatives of the Ute Mountain Ute Tribe and the Navajo Tribe. The Hopi Tribe and Navajo Tribe claimed ancestral and cultural affiliation to prehistoric cultural groups in the region, although no specific TCPs of concern to the tribes were identified as a result of these consultations.

The Ute Mountain Ute Tribe (UMUT) expressed concerns about the potential impacts of mill operations to community residents at White Mesa. The potential indirect environmental effects of processing ore from the Daneros Mine at the White Mesa Mill, including specific concerns expressed by the UMUT, are analyzed and documented in Sections 4.2.1.5, 4.2.2.3 and 4.2.3.7 of the EA. The analysis includes information from the US Geological Survey (USGS) Scientific Investigations Report 2011-5231 titled "Assessment of Potential Migration of Radionuclides and

Trace Elements from the White Mesa Uranium Mill to the Ute Mountain Ute Reservation and Surrounding Areas, Southeastern Utah” (USGS, 2011). The analysis concludes that the processing of Daneros Mine ore at the White Mesa Mill would have negligible indirect and cumulative impacts.

43 CFR 3809 APPEAL STATEMENT:

This decision may be appealed to the Interior Board of Land Appeals (IBLA) in accordance with the regulations contained in 43 CFR part 4 and the enclosed Form 1842-1. If an appeal is taken, your Notice of Appeal must be filed in this office within 30 days from receipt of this decision.

State Director
BLM Utah State Office
440 West 200 South, Suite 500
Salt Lake City, Utah 84101-1345

At the same time, a copy of the Notice of Appeal must also be sent to:

Regional Solicitor
U.S. Department of the Interior
6201 Federal Building
1235 South State Street
Salt Lake City, Utah 84138-1180

The appellant has the burden of showing that the decision appealed from is in error. This decision will remain in effect while the IBLA’s decision is pending, unless you request and obtain a stay under 43 CFR 4.21. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted under the criteria in 43 CFR 4.21.

Request for a Stay

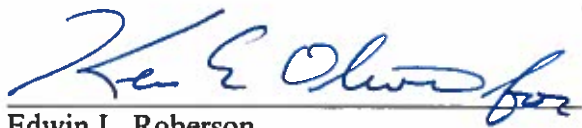
If you wish to file a petition pursuant to regulations 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by IBLA, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay must be submitted to each party named in the decision and to the IBLA and to the appropriate Office of the Solicitor (see 53 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal must show sufficient justification based on the following standards:

1. The relative harm to the parties if the stay is granted or denied;
2. The likelihood of the appellant's success on the merits;
3. The likelihood of immediate and irreparable harm if the stay is not granted; and
4. Whether the public interest favors granting the stay.

If a petition for stay is submitted with the notice of appeal, a copy of the notice of appeal and petition for stay must be served on each party named in the decision from which the appeal is taken.



Edwin L. Roberson
State Director

23 FEB 2018

Date

Attachments:

- Attachment A: MPOM Requirements
- Attachment B: Map
- Attachment C: Form 1842-1

ATTACHMENT A – Requirements for the Daneros Mine Plan of Operations Modification (MPOM)

General

1. All operations shall be conducted in a manner that complies with pertinent Federal and state laws and regulations related to the protection of the environment and human health.
2. Energy Fuels shall maintain, and provide BLM with a copy of all necessary authorizations (i.e., approvals, permits, plans and modifications) and monitoring reports required for the mine by other Federal, state, and local authorities, including those listed in MPOM, Table 2-1.
3. Energy Fuels shall implement and adhere to all design features of the Daneros Mine Plan of Operations Modification (MPOM). Any changes to the MPOM shall require prior approval by the BLM.
4. Buildings and other facilities shall be painted a BLM-approved color from either the chart of Standard Environmental Colors or the chart of Supplemental Environmental Colors.
5. In the event that mine employment increases to 25 or more employees, a potable water system shall be installed for bathrooms and showers, as required by state law.
6. Prior to the initiation of new surface disturbance at the Daneros Portal Area, the Bullseye Portal Area, the South Portal Area, and the proposed ventilation shafts, Energy Fuels shall submit an acceptable reclamation surety bond to the Utah Division of Oil, Gas and Mining (UDOGM). The reclamation surety must comply with BLM regulations at 43 C.F.R. § 3809.500 and shall be approved in advance by the BLM and the UDOGM.
7. The reclamation bond for the project may be reviewed by the BLM on a periodic basis for activities and/or surface disturbance authorized by this Plan. If the BLM Field Manager determines that the existing reclamation bond is not adequate to cover the costs of reclamation because of changing or unanticipated conditions or does not meet the regulations or policy of the agency, an updated reclamation bond shall be recalculated by BLM. If an additional bond is necessary, the operator shall submit the additional bond within 90 days of notification by the BLM Field Manager.
8. Prior to bond release, a final inspection of the project area must be made by the operator with the BLM Field Manager or its designated representative as appropriate.
9. Energy Fuels shall notify the BLM of any change in operator. Notification shall be in writing within 30 days of such a change.
10. Energy Fuels shall identify the specific locations of future vent shafts and associated access roads, complete all necessary resource surveys and consultations, and shall obtain approval from the BLM prior to construction of these facilities.
11. Energy Fuels shall implement reasonable and practical measures for artificial lighting to protect the quality of the night sky such as the use of shielding devices and downcast lights. Reasonable measures do not include those that may compromise worker safety or site security, or practices that are prohibited by other Federal or state authorities.

Air Quality

12. Energy Fuels shall maintain an Approval Order (AO) from the Utah Division of Air Quality (UDAQ) and shall implement all provisions and air quality control measures specified in the AO as detailed in MPOM, Attachment J5.
13. Energy Fuels shall implement the control measures in the Fugitive Dust Control Plan as detailed in MPOM, Attachment O.
14. Energy Fuels shall maintain an Approval for Construction under 40 C.F.R. Part 61 Subparts A and B (Radon NESHAPs) from the UDAQ and shall implement all terms and conditions of the Approval as detailed in MPOM, Attachment J4.

Health and Safety

15. Energy Fuels shall maintain the necessary MSHA permits and plans, and shall implement all MSHA protocols for worker safety in accordance with regulations at 30 C.F.R. § 57.5037 and 30 C.F.R. § 57.5047.
16. Energy Fuels shall implement all operating and monitoring practices required by Federal and state laws and regulations for the protection of workers and the public from radiation exposure.
17. Underground mine equipment with internal combustion engines shall meet MSHA emission standards.
18. Fencing and advisory signs or placards shall be installed around all ventilation shafts.
19. Signs and a gate shall be maintained on County Road D0029 at the entrance to the Mine to allow access by authorized mine personnel only.

Interim Management

20. Energy Fuels shall notify the BLM of any temporary mine closure and shall implement the maintenance and monitoring commitments in the Interim Management Plan as detailed in MPOM Section 6.
21. Mine Portals and Vent Shafts shall be effectively covered and sealed during extended periods of temporary mine closure. Fences with locked gates shall be installed around all vent shafts.

Transportation

22. When transporting Daneros Mine ore to the White Mesa Mill, Energy Fuels and its Transport Contractors shall adhere to the company "Transportation Policy", as detailed in MPOM, Attachment N.
23. Energy Fuels shall verify that its ore Transport Contractors obtain all necessary permits and clearances in accordance with the U.S. Department of Transportation and Utah Department of Transportation regulations, including the establishment of an Emergency Response Plan.
24. In the event of an accident or incident during transport which involves the spillage of uranium ore, Energy Fuels shall promptly clean up such spillage and verify that the spilled material and affected area is cleaned up to background levels. Cleanup levels shall be verified using a gamma meter or similar instrument.
25. Energy Fuels shall consult with the San Juan County Road Department for the placement and installation of all safety and directional signs and cattle guards on county roads.

26. Energy Fuels shall obtain any necessary gravel for maintenance of county roads from an authorized county material source and shall coordinate with the San Juan County Road Department prior to use.

Waste Management

27. Waste from portable sanitation facilities shall be properly disposed of at an approved facility.
28. A roll-off container for disposal of solid waste shall be located on site. All solid waste shall be placed in the container and transported to a licensed local landfill.
29. Energy Fuels shall implement a Spill Prevention, Control and Countermeasures Plan (SPCC Plan) as required by the U.S. Environmental Protection Agency regulations at 40 C.F.R. Part 112. All chemicals and hydrocarbon products (including used oil) shall be contained and controlled in accordance with proposed containment measures in the SPCC Plan
30. Any solid wastes that qualify as low-level wastes for radiation contamination, per Nuclear Regulatory Commission (NRC) guidelines (i.e., not a product or a by-product of ore extraction or production) shall be handled in accordance with the Low-Level Radioactive Waste Policy Amendments Act of 1985 at an NRC-approved facility.
31. Appropriate materials such as batteries, scrap metal, used oils, tires, and antifreeze shall be recycled during mine operations and reclamation.
32. All cleaning solvents shall be contained on site and recycled or properly disposed of at an approved facility.
33. In accordance with 29 C.F.R. § 1910.1200(g), Energy Fuels shall maintain a file containing Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are utilized during the course of construction, mining, and reclamation operations. This file shall be available for reference and inspection at all times at the site.

Cultural and Paleontological Resources

34. Energy Fuels shall not knowingly disturb, remove, alter, injure, or destroy any scientifically important paleontological remains or any historical or archaeological site, structure, building or object on Federal lands.
35. Energy Fuels shall immediately bring to the attention of the BLM authorized officer any cultural and/or paleontological resources that might be altered or destroyed on Federal lands by its operations, and shall leave such discovery intact until told to proceed by the authorized officer.
36. Operations shall avoid the NRHP-eligible historic Spook Mine site.
37. A BLM-approved paleontological contractor shall monitor excavation (leveling) operations of Chinle Formation bedrock areas within the northern and northwestern portions of the South Portal area and the western portion of the Bullseye Portal area. Energy Fuels shall notify a BLM paleontologist and request oversight prior to doing excavation work in these areas.

Reclamation

38. Energy Fuels shall implement and adhere to the Reclamation Plan detailed in MPOM Section 4.
39. All drill holes shall be plugged in accordance with Utah Division of Oil, Gas and Mining Rule R647-4-108.

40. During reclamation, Energy Fuels shall ship any remaining ore stockpiles to the mill for processing if market conditions are favorable. If low-grade ore has not been sent to the mill by the end of the mine life, it shall be hauled back underground during reclamation.
41. As part of site reclamation, Energy Fuels shall survey the ore stockpile area for radiation, and any material with elevated radiation levels above background shall be excavated and placed in the mine.
42. Energy Fuels shall reclaim Development Rock Areas (DRAs) to a maximum radiation dose of 15 millirem/year above background to a person camping on a DRA for 14 days.
43. Specific reclamation procedures for vent holes shall depend on whether they are cased, uncased or fully cased and grouted as detailed in MPOM Section 4.1.
44. During reclamation of the DRAs, care shall be taken when scarifying the topsoil so that the underlying inert material and development rock is not penetrated.

Soil and Water

45. Energy Fuels shall implement the Drainage Plan as detailed in MPOM, Attachment C.
46. Energy Fuels shall maintain and implement a Storm Water Pollution Prevention Plan (SWPPP) as required by the Utah Division of Water Quality (MPOM, Attachment G).
47. Energy Fuels shall install erosion and sediment control devices before stripping of topsoil and grading, and the erosion and sediment control system shall be maintained throughout the life of the mining operations.
48. Topsoil and inert material stockpiles shall be temporarily seeded using the BLM and UDOGM approved seed mix during the first fall planting season after material is stockpiled. Seeding efforts shall continue in subsequent years until vegetation is established.
49. Haulage equipment shall not be allowed to cross the topsoil stockpiles.
50. All new facilities and associated surface disturbance in Bullseye Canyon shall be located above the 100-year flood plain as delineated on Figures 2 and 3 in MPOM, Attachment R.
51. Energy Fuels shall implement and adhere to the Rock Management Plan in the MPOM Section 3.6.2.

Weed Control

52. Energy Fuels' Weed Control Plan (MPOM, Attachment P) shall be implemented throughout the life of the mining operation and during reclamation.
53. Energy Fuels shall consult with the BLM and County weed control staff regarding problematic weed infestation areas and appropriate control measures, as necessary.

Wildlife

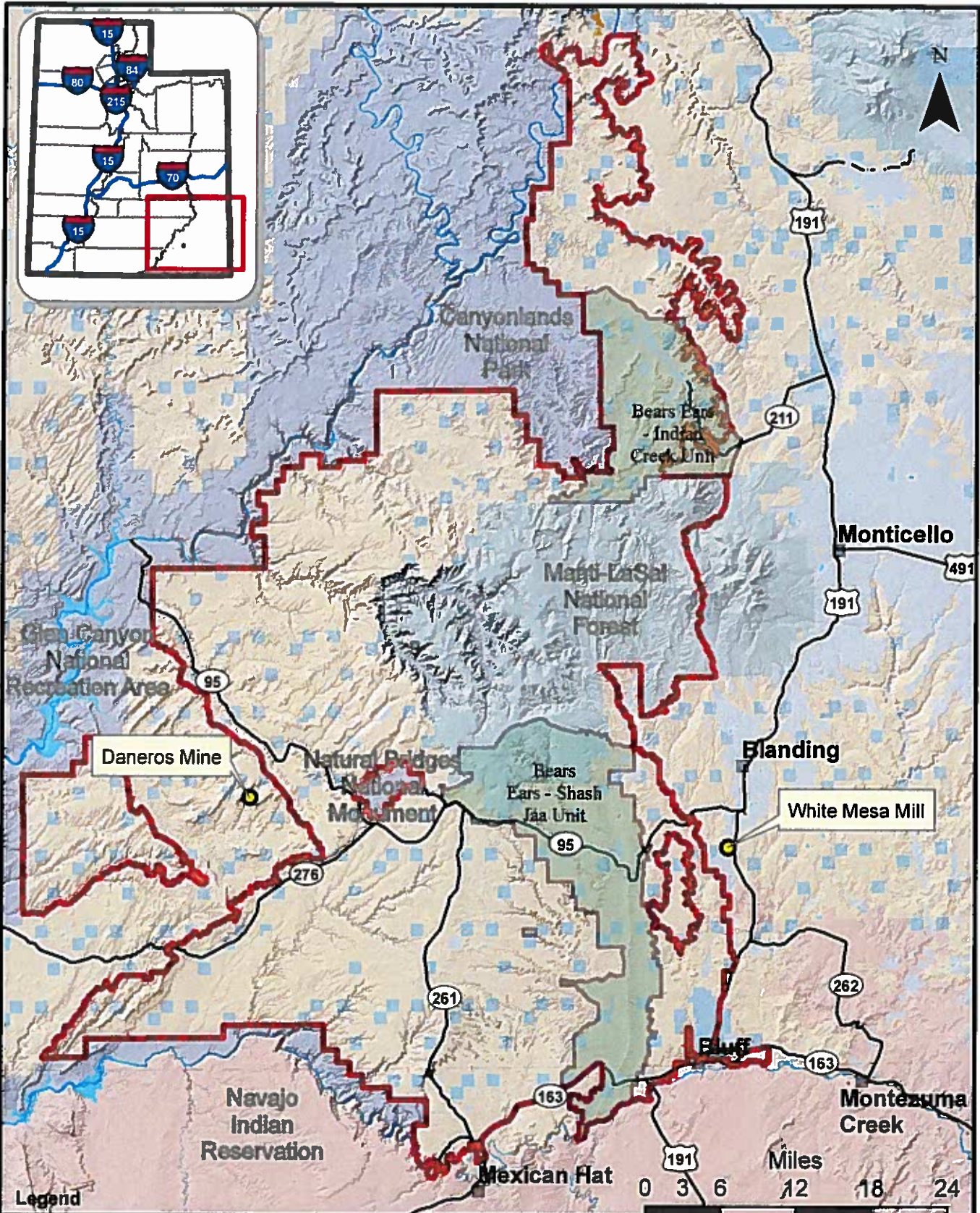
54. Major new development and construction activities at the Daneros, Bullseye and South Portal Areas and the eight proposed vent holes shall not occur each year from April 1 to June 15 for lambing and from October 15 to December 15 for rutting desert bighorn sheep. The BLM may grant an exception if it is determined that the animals are not present in the project area or the activity can be completed so as to not adversely affect the animals. These timing limitations shall not apply to routine operation and maintenance of existing facilities.

55. Raptor management will be guided by *Best Management Practices for Raptors and Their Associated Habitats in Utah* (BLM 2008b: Appendix N). If mining operations are scheduled to begin between the dates of January 1 and September 31, raptor surveys will be required prior to operations. Field surveys will be conducted as determined by the authorized officer of the BLM. Based on the result of the field survey(s), the authorized officer will determine if appropriate buffers and timing limitations shall be required.
56. Biological surveys for the areas of future disturbance, including future vent hole development areas that are not yet disturbed, shall be performed prior to construction when specific areas of future disturbance are identified.
57. Energy Fuels shall minimize potential impacts to migratory birds by limiting vegetation removal during the breeding season (March through August) and conducting nest surveys within five days prior to vegetation removal in the event that vegetation removal cannot be deferred to the non-breeding season.

Monitoring Requirements

58. Energy Fuels shall maintain records of on-site and transportation-related wildlife mortality and provide this information to the BLM upon request.
59. Energy Fuels shall monitor flow rates at the Bullseye Spring and Bullseye Well on a quarterly basis during active mining operations and annually during periods of temporary mine closure. An annual report shall be submitted to the BLM. Copies of the reports shall be submitted to the water rights owner. If it is determined that flow rates are diminished as a result of mining activity such that impairment of or interference with prior water rights occurs, Energy Fuels shall be required to mitigate or provide compensation as stipulated among the parties or decreed by a court of competent jurisdiction.
60. Energy Fuels shall monitor radon concentration and airflow rate from the mine exhaust vents pursuant to UDAQ's Approval for Construction under 40 C.F.R. Part 61, Subparts A and B (Radon NESHAPs). Energy Fuels shall provide copies of the annual monitoring and EPA approved modeling (Comply-R or equivalent) reports to the BLM upon request.
61. Energy Fuels shall monitor and control particulate, radon daughters and gamma radiation within the working areas of the Mine in accordance with MSHA requirements.
62. Energy Fuels shall implement the monitoring and control measures outlined in the Noxious Weed Management Plan (MPOM, Attachment P). Energy Fuels shall submit annual reports to the BLM and San Juan County pursuant to Section 5.0 of the Plan.
63. Energy Fuels shall monitor and control visible emissions pursuant to the provisions of the UDAQ Approval Order as detailed in MPOM, Attachment J5.
64. Energy Fuels shall install and maintain, on the Daneros Well, measuring and totalizing recording devices to meter all water diverted and shall annually report this data to the Utah Division of Water Rights Water Use Program in accordance with the Order of the State Engineer for Application to Appropriate Water Number 09-2315 (November 25, 2009) (MPOM, Attachment J7). Pursuant to the State Engineer's Order, Energy Fuels shall be liable to mitigate or provide compensation for any impairment of or interference with prior water rights as such may be stipulated among the parties or decreed by a court of competent jurisdiction.
65. Energy Fuels shall implement the inspection and maintenance requirements of the Storm Water Pollution Prevention Plan (SWPPP), including monthly inspections of erosion and drainage control structures and material storage areas during active

- operations to ensure that stormwater control devices are functioning as designed. Energy Fuels shall also conduct annual comprehensive site compliance evaluations of the stormwater drainage system as prescribed in MPOM, Attachment G. Records of inspections and maintenance work shall be retained with the SWPPP.
66. At a minimum, Energy Fuels shall inspect the stormwater erosion and sediment control system biannually during periods of temporary closure. Energy Fuels shall also inspect the stormwater control system immediately following major storm events to verify that the system is functioning as designed.
 67. Energy Fuels shall routinely monitor and clean out the sediment detention ponds and ditches, as necessary, to preserve their function and capacity, and materials removed from the sediment ponds shall be placed in a DRA. [MPOM]
 68. Energy Fuels shall leak test all diesel storage tanks prior to installation and monitor and maintain the tanks and secondary containment in accordance with the mine Spill Prevention, Control and Countermeasures (SPCC) Plan, including monthly and annual inspections of the facilities and periodic integrity testing of the tanks as detailed in MPOM, Attachment I.
 69. Energy Fuels shall monitor the revegetation success. If after two growing seasons adequate growth has not yet occurred, Energy Fuels shall continue to take necessary measures, including reseeding and erosion and weed control to promote the establishment of a self-sustaining vegetative cover until vegetation is established that meets the reclamation standards detailed in MPOM Sections 4.6 and 4.9.
 70. Energy Fuels shall reclaim DRAs to a maximum radiation dose of 15 mrem/yr above background to a person camping on a DRA for 14 days. Energy Fuels shall conduct a post-reclamation gamma survey and modeling assessment for compliance with the reclamation standard after mining and reclamation are complete pursuant to the Radiation Monitoring and Modeling Plan (MPOM, Attachment E), and shall provide a copy of the assessment data to the BLM. If the BLM determines that the reclamation standard is unmet, Energy Fuels shall apply sufficient additional cover material.
 71. Energy Fuels shall monitor the mine facilities and surface structures such as buildings, portals, vent holes, roads, sediment controls structures, and fencing, at a minimum, on a bi-annual basis during periods of temporary closure consistent with the monitoring provisions of the Interim Management Plan detailed in MPOM Section 6. Energy Fuels shall maintain facilities and stabilization structures and controls at the mine site following its monitoring activities and shall report such activities to the BLM. In addition, Energy Fuels shall maintain all necessary permits and adhere to all permit conditions during periods of temporary closure, including all required environmental monitoring programs.



Legend

Designation

- 2017 BENM Presidential Proclamation
- 2016 BENM Presidential Proclamation
- StateHighways

Land Status

- Private
- Bureau of Land Management (BLM)
- US Forest Service (USFS)
- State
- National Park Service (NPS)
- Indian Reservation (IR)

Att. B - Figure DR-1
General Location
Map
Daneros Mine Plan

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

INFORMATION ON TAKING APPEALS TO THE INTERIOR BOARD OF LAND APPEALS

DO NOT APPEAL UNLESS

1. This decision is adverse to you,
AND
2. You believe it is incorrect

IF YOU APPEAL, THE FOLLOWING PROCEDURES MUST BE FOLLOWED

- A person who wishes to appeal to the Interior Board of Land Appeals must file in the office of the officer who made the decision (not the Interior Board of Land Appeals) a notice that he wishes to appeal. A person served with the decision being appealed must transmit the *Notice of Appeal* in time for it to be filed in the office where it is required to be filed within 30 days after the date of service. If a decision is published in the FEDERAL REGISTER, a person not served with the decision must transmit a *Notice of Appeal* in time for it to be filed within 30 days after the date of publication (43 CFR 4.411 and 4.413).
- 1. NOTICE OF APPEAL.....**
- 2. WHERE TO FILE**
- NOTICE OF APPEAL..... State Director
BLM Utah State Office
440 West 200 South, Suite 500
Salt Lake City, Utah 84101-1345
- WITH COPY TO SOLICITOR... Regional Solicitor
U.S. Department of the Interior
6201 Federal Building
125 South State Street
Salt Lake City, Utah 84138-1180
- 3. STATEMENT OF REASONS**
- WITH COPY TO SOLICITOR..... Within 30 days after filing the *Notice of Appeal*, file a complete statement of the reasons why you are appealing. This must be filed with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. If you fully stated your reasons for appealing when filing the *Notice of Appeal*, no additional statement is necessary (43 CFR 4.412 and 4.413).
- Regional Solicitor
U.S. Department of the Interior
6201 Federal Building
125 South State Street
Salt Lake City, Utah 84138-1180
- 4. ADVERSE PARTIES.....** Within 15 days after each document is filed, each adverse party named in the decision and the Regional Solicitor or Field Solicitor having jurisdiction over the State in which the appeal arose must be served with a copy of: (a) the *Notice of Appeal*, (b) the Statement of Reasons, and (c) any other documents filed (43 CFR 4.413).
- 5. PROOF OF SERVICE.....** Within 15 days after any document is served on an adverse party, file proof of that service with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. This may consist of a certified or registered mail "Return Receipt Card" signed by the adverse party (43 CFR 4.401(c)).
- 6. REQUEST FOR STAY.....** Except where program-specific regulations place this decision in full force and effect or provide for an automatic stay, the decision becomes effective upon the expiration of the time allowed for filing an appeal unless a petition for a stay is timely filed together with a *Notice of Appeal* (43 CFR 4.21). If you wish to file a petition for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Interior Board of Land Appeals, the petition for a stay must accompany your *Notice of Appeal* (43 CFR 4.21 or 43 CFR 2801.10 or 43 CFR 2881.10). A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the *Notice of Appeal* and Petition for a Stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.
- Standards for Obtaining a Stay.** Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards: (1) the relative harm to the parties if the stay is granted or denied, (2) the likelihood of the appellant's success on the merits, (3) the likelihood of immediate and irreparable harm if the stay is not granted, and (4) whether the public interest favors granting the stay.

Unless these procedures are followed, your appeal will be subject to dismissal (43 CFR 4.402). Be certain that all communications are identified by serial number of the case being appealed.

NOTE: A document is not filed until it is actually received in the proper office (43 CFR 4.401(a)). See 43 CFR Part 4, Subpart B for general rules relating to procedures and practice involving appeals.

43 CFR SUBPART 1821--GENERAL INFORMATION

Sec. 1821.10 Where are BLM offices located? (a) In addition to the Headquarters Office in Washington, D.C. and seven national level support and service centers, BLM operates 12 State Offices each having several subsidiary offices called Field Offices. The addresses of the State Offices can be found in the most recent edition of 43 CFR 1821.10. The State Office geographical areas of jurisdiction are as follows:

STATE OFFICES AND AREAS OF JURISDICTION:

Alaska State Office ----- Alaska
Arizona State Office ----- Arizona
California State Office ----- California
Colorado State Office ----- Colorado
Eastern States Office ----- Arkansas, Iowa, Louisiana, Minnesota, Missouri
and, all States east of the Mississippi River
Idaho State Office ----- Idaho
Montana State Office ----- Montana, North Dakota and South Dakota
Nevada State Office ----- Nevada
New Mexico State Office ----- New Mexico, Kansas, Oklahoma and Texas
Oregon State Office ----- Oregon and Washington
Utah State Office ----- Utah
Wyoming State Office ----- Wyoming and Nebraska

(b) A list of the names, addresses, and geographical areas of jurisdiction of all Field Offices of the Bureau of Land Management can be obtained at the above addresses or any office of the Bureau of Land Management, including the Washington Office, Bureau of Land Management, 1849 C Street, NW, Washington, DC 20240.

(Form 1842-1, September 2006)